

Energy, conservation debated

By **Stephen Speckman**

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State energy adviser Dianne Nielson told Utah lawmakers Wednesday during an annual review of the state's 2006 Energy Policy at the Capitol that pursuing conservation and energy efficiency should be a top priority.

Nielson said the approach would put money directly back into consumers' pockets, stretch existing resources and stave off the need to build more costly infrastructure for power and fuel — a need that would raise Utah's relatively low energy prices.

But several members of the Natural Resources, Agriculture and Environment Interim Committee questioned whether energy development shouldn't be considered on at least an equal plane with conservation initiatives.

Without naming names, legislators also wanted the governor's energy adviser to remind key Utah officials that the state should be advocating for resource development as it works with the federal government on energy issues that affect Utah.

Before Nielson's talk, the committee's meeting focused heavily on presentations from representatives of the natural-gas, oil-shale and mining industries.

Anadarko Petroleum Corp. general manager Brad Miller spoke on behalf of the Independent Petroleum Association of Mountain States.

"We are not Big Oil," Miller told the committee, referencing the negative stereotype associated with large corporations in the industry.

Miller outlined oil and gas development issues that include a Bureau of Land Management proposal to add an additional 3 million acres to about 12 million acres that are already off limits to drilling, adding that his industry has a "small impact."

Miller's comments came a day after several conservation groups assailed the BLM's six recently proposed land-management plans for not doing enough to protect the environment.

Utah Department of Environmental Quality director Rick Sprott and Miller sparred in front of the committee over how much state regulators are "inserting" themselves in talks

about a proposal by Colorado-based Bill Barrett Corp. to drill more than 800 additional natural-gas wells as part of its West Tavaputs project.

Sprott disagreed with Miller's claim that the state's environmental regulations are tougher than those of the federal Environmental Protection Agency.

Red Leaf Resources Inc. vice president Laura Nelson said companies face many environmental "challenges" in developing Utah's tar-sands resources, but it will be "very, very different" than the huge impact of sands operations in Canada. "We will address the challenges up front," said Nelson, speaking as chairwoman of the Utah Mining Association's Oil Shale and Tar Sands Committee.

Mining association president David Litvin took a moment to remind lawmakers that the United States is already behind on developing its vast oil-shale and tar-sands resources, most of which are located in Utah, Colorado and Wyoming.

During Wednesday's meeting, Sen. Margaret Dayton, R-Orem, asked whether protecting so-called endangered species was endangering energy development. Dayton criticized "questionable science" surrounding efforts to curb greenhouse-gas emissions at the expense of resource development.

Dayton and Rep. Mike Noel, R-Kanab, also took issue with a part of the state's energy policy that covers how Utah will "study" nuclear power and "require a federal program for high-level nuclear-waste management, including reprocessing and permanent disposal."

Dayton and Noel interpreted the language as a possible impediment to one day seeing a nuclear power plant built in Utah. Nielson tried to assure both lawmakers that wasn't the intent of the policy.

Noel drew criticism last year when he and Rep. Aaron Tilton, R-Springville, had conflicts of interest over potential construction of a nuclear power plant in the state. They are members of or chair House committees that deal directly with nuclear energy.

Noel heads a local water company that would sell the proposed plant \$1 million of water each year. Tilton is an energy consultant who is looking into possibly building a nuclear power plant in Utah.

E-mail: sspeckman@desnews.com

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